

# New Jersey District Office *SBA New Jersey*

*Your Small Business Resource*

## Celebrating Small Business

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### For More Information:

SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam. For the office nearest you, look under "U.S. Government" in your telephone directory, or visit our Web site at [www.sba.gov](http://www.sba.gov)

**Your rights to regulatory fairness:**  
1-800-REG-FAIR

**SBA Home Page:** [www.sba.gov](http://www.sba.gov)

*All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.*

Jack A. Panzarella, CEO and founder of Street Glow, Inc., a Wayne-based manufacturer and distributor of performance lighting products, used primarily in the automotive and mobile electronics industries, has been named the U.S. Small Business Administration's (SBA) New Jersey 2004 Small Business Persons of the Year.

For Panzarella, the idea of Street Glow, Inc. came to him while he was working as an auto repossession man in Florida. While replacing an unprotected neon light bulb that he accidentally broke on the underside of a show automobile he was sent to repossess, Panzarella came up with the concept to develop a protective sleeve for the neon light bulb.

In 1991, Panzarella turned that idea into a multi-million dollar business when he came up with the concept for an under car lighting kit in the basement of his home. The key to the design is a protective sleeve made of Lexan™. Panzarella came up with the idea of encasing the bulb in the sleeve to protect it from the weather and most road hazards.

In making the announcement, at Street Glow, Inc., SBA New Jersey District Director James A. Kocsi, said that Panzarella was selected for the award based on a criteria that includes: Staying Power



**Lighting it up with Success**-Jack A. Panzarella, left, CEO and founder of Street Glow, a Wayne manufacturer of automotive lighting, accepts the U.S. Small Business Administration's 2004 New Jersey Small Business Person of the Year Award from SBA New Jersey District Director. Panzarella, developed an under-car lighting kit in the basement of his home and parlayed that it into a multi-million dollar company with 58 employees.

(a substantial history of an established business); Growth in Number of Employees; Increase in Sales; Financial Strength of the Company; Innovativeness of Product or Service Offered; Response to Adversity and Contributions to Aid Community Oriented Projects.

According to Kocsi, Panzarella was nominated for the award by John J. Bailey of Bailey Financial Consulting, Inc. of Wayne.

Today, Street Glow markets its products through a worldwide network of distributors,

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## \$248 Million in SBA Loans go to NJ Small Business Owners; 11% Increase in Loans and Dollars Reported in First Half of 2004

**T**he U.S. Small Business Administration's New Jersey District Office reported that New Jersey small business owners received \$248 million in loans from the agency during the first six months of its Fiscal Year 2004 (the period of October 1, 2003 through March 31, 2004).

According to SBA New Jersey District Director James A. Kocsi, the New Jersey District Office is up 11 percent in both loan approvals and the amount of dollars allotted to small businesses throughout the state this year. During the first six months of Fiscal Year 2004 small business owners received a total of 1,153 loans for a total of \$248 million. In comparison, the office approved 1,038 loans for \$222 million during the same time period in Fiscal Year 2003.

"There is no shortage of good news in New Jersey," said Kocsi. "In addition to the overall increase in lending, SBA loan approvals to African-Americans, Hispanic-Americans, Asian-Americans, Women and Veterans are all up over last year's totals. The economy is showing signs of a strong recovery and SBA lenders are experiencing a growing demand for small business loans. Our office will continue to reach out to the small business owners to aid in this economic recovery."

Kocsi noted that during the first six months of Fiscal Year 2004, African-Americans received a total of 56 loans for \$7.5 million. This marked a 60 percent increase in loan approvals and a 75 percent increase in dollars to African-Americans compared to the same time period last year.

First-half lending to Hispanic-Americans was also up. The SBA approved 83 loans to Hispanic-Americans for \$12.1 million during the first half of 2004. This represented a 24 percent increase in the number of loans approved and a 45 percent increase in dollars Hispanic-Americans received in 2003.

During the first half of Fiscal Year 2004, loan approvals to Asian-Americans were up 18



President Bush recently signed legislation that increases lending authority for SBA's flagship 7(a) loan program by \$3 billion. The new law increases the 7(a) program's lending authority for this year, by 30 percent, to \$12.5 billion, and has allowed the SBA to remove the temporary \$750,000 cap on 7(a) loans, returning it to its previous \$2 million level.

percent. The agency approved 266 loans to Asian-American business owners for \$60 million.

According to Kocsi, women-owned businesses in New Jersey received 215 loans for \$35.8 million during the first six months of FY 2004. This represented a 26 percent increase in loans and a 14 percent increase in dollars that women business owners received during the same timeframe in 2003.

New Jersey veteran-owned businesses received 71 loans for \$14 million. The number of loan approvals went up six percent and the dollars allotted to veterans went up eight percent.

Bergen County led the way in SBA loan approvals, during the first six months of Fiscal Year 2004, with 166 loans for \$30 million; Camden County followed with 95 loans for \$19 million; Essex County had 94 loans for \$19.4 million; Middlesex County had 86 loans for \$19.5 million; and rounding out the top five counties was Morris County

with 69 loans for \$15.2 million.

Kocsi also noted that the top five SBA lenders in New Jersey for the first six months of Fiscal Year 2004 were: Commerce Bank with 236 loans for \$65.6 million; Fleet Bank with 155 loans for \$6.2 million; PNC Bank with 130 loans for \$27.6 million; Capital One Bank with 82 loans for \$3.3 million; and Citizens Bank of Rhode Island with 62 loans for \$1.9 million.

"We are excited by the recent legislation signed by President Bush that increases lending authority for SBA's flagship 7(a) loan program by \$3 billion," said Kocsi. "The new law increases the 7(a) program's lending authority for this year, by 30 percent, to \$12.5 billion, and has allowed the SBA to remove the temporary \$750,000 cap on 7(a) loans, returning it to its previous \$2 million level. The bill also raises the maximum SBA Guaranty on 7(a) loans from \$1 million to \$1.5 million."

According to Kocsi, the agency's popular *SBAExpress* loan program, which previously had a maximum of \$250,000, was also increased to the standard \$2 million by the legislation.

"All signs are pointing to another banner year of lending for small businesses in New Jersey," said Kocsi. "Everything is in place for that to happen and the SBA New Jersey District Office is poised to meet the unprecedented demand the agency is seeing for SBA loans."

## SBA's NJ Top Lenders in 2004

(For the Period of October 1, 2003 through April 30, 2004)

Lender	# of Loans	\$Amount
1) Commerce Bank	266	\$ 75.2 Million
2) Fleet Bank	197	\$ 7.8 Million
3) PNC Bank	150	\$ 30.7 Million
4) Capital One Bank	98	\$ 4.0 Million
5) Citizens Bank of Rhode Island	76	\$ 2.7 Million
6) Broadway National Bank	52	\$ 21.3 Million
7) Unity Bank	47	\$ 18.4 Million
8) Valley National Bank	47	\$ 10.5 Million
9) HSBC Bank USA	45	\$ 3.1 Million
10) JPMorgan Chase Bank	37	\$ 1.7 Million

## Celebrating Small Business

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dealers, mass marketers, and retail chain stores. The company's products are used extensively in the automotive, truck, RV, Jet Ski, snowmobile, boating, and motorcycle segments.

Applications include undercarriage and wheel well lighting kits, license plate frames, interior neon accent tubes, strobe lights, black lights and lighting tubes. In 1999, inroads were made in the personal recreation market with the creation of an in-line skate application.

In 2000, the company received a \$1 million SBA guaranteed loan from PNC Bank to help purchase a 20,000 square foot office warehouse facility in Wayne and to help

expand the company's product line. In February of 2003, Panzarella paid the loan in full.

Today the company employs 58 people and has annual sales in excess of \$20 million. Over the last four years, Street Glow has been listed as one of fastest growing privately owned companies by Inc. Magazine. Last year the company was ranked 234 in the Inc. 500.

"Jack Panzarella epitomizes the American Dream," said Kocsi. "It is gratifying to see companies like Street Glow, Inc. contribute to the local economy, by creating 58 jobs and developing innovative products that are used in the automotive aftermarket."

"As one of the 23 million small business owners in this country, this award is a reflection of the hard work and passion Jack Panzarella demonstrated on his way to building a multi-million dollar company," said Kocsi.

As part of SBA's National Small Business Week festivities (May 16th – May 22nd), Panzarella was honored in Orlando, Florida by SBA Administrator Hector V. Barreto, where he competed with 49 other state winners for the title of SBA National Small Business Person of the Year.

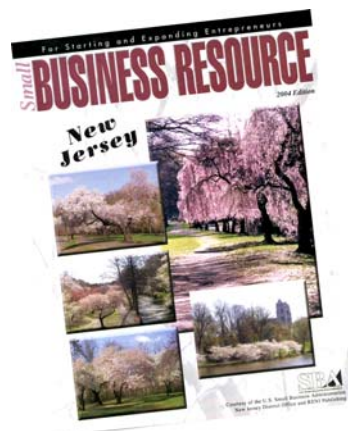
# New Jersey SBA Lending by County

(First Six Months of Fiscal Year 2004 & 2003 from October 1<sup>st</sup> – March 31<sup>st</sup>)

## First Six Months

County	FY 2004		FY 2003	
	# of Loans	\$ Amount	# of Loans	\$Amount
Atlantic	30	\$ 7.3 million	26	\$ 7.0 million
Bergen	166	\$30.0 million	122	\$26.0 million
Burlington	67	\$11.8 million	59	\$13.0 million
Camden	95	\$19.0 million	76	\$13.0 million
Cape May	22	\$ 6.7 million	23	\$ 9.0 million
Cumberland	19	\$ 4.8 million	7	\$ 1.0 million
Essex	94	\$19.4 million	62	\$16.0 million
Gloucester	36	\$ 7.2 million	30	\$ 6.0 million
Hudson	58	\$11.2 million	55	\$14.0 million
Hunterdon	42	\$ 9.8 million	27	\$ 5.1 million
Mercer	47	\$14.0 million	34	\$ 10.0 million
Middlesex	86	\$19.5 million	105	\$19.0 million
Monmouth	64	\$19.4 million	92	\$18.2 million
Morris	69	\$15.2 million	62	\$12.1 million
Ocean	58	\$12.9 million	72	\$12.2 million
Passaic	54	\$ 9.3 million	51	\$11.0 million
Salem	2	\$ .3 million	3	\$ 1.2 million
Somerset	50	\$10.3 million	45	\$10.0 million
Sussex	26	\$ 5.6 million	17	\$ 4.4 million
Union	54	\$12.2 million	62	\$12.1 million
Warren	14	\$ 2.4 million	8	\$1.7 million
<b>TOTALS</b>	<b>1,153</b>	<b>\$248.3 million</b>	<b>1,038</b>	<b>\$222 million</b>

## SBA 2004 Resource Guides are Now Available



The 2004 English and Spanish editions of the *New Jersey Small Business Resource Guide* are now available from the U.S. Small Business Administration's New Jersey District Office.

The free 42-page guide features sections on *How to Start a Small Business*; *Local State and Federal Business Regulations*; *How to Find and Secure Business Finance*; *Doing Business with the Government*; and *Entrepreneurial Development Resources*.

To receive your copy of the *2004 New Jersey Small Business Resource Guide*, call the SBA New Jersey District Office at (973) 645-2434 or by sending an e-mail to Ursula Sanders at [ursula.sanders@sba.gov](mailto:ursula.sanders@sba.gov). Those interested in learning more about SBA programs and services should visit the SBA's Web site at [www.sba.gov/nj](http://www.sba.gov/nj).



# SBA Looks to Simplify Size Standards

The U.S. Small Business Administration is proposing new rules that will simplify the standards by which the SBA determines the size of a business. Under the proposed rules, size will be determined by the number of employees in almost all cases and the number of different size categories will be reduced from 37 to just 10.

SBA's size standards define whether a business entity qualifies as small and whether it is eligible for government programs and assistance reserved for small businesses, including some programs in other agencies.

Under the new rule, more small businesses will be eligible to apply for SBA's financing and loan programs as well as contracting and business development programs such as the 8(a) Business Development program, the HUBZone

Empowerment Contracting program, and small business set-asides.

If the rule is adopted, the SBA's size standards will undergo a major restructuring. The 37 current size standards will be reduced to 10, which will be employee-based with the exception of the agriculture industry, which is required by law to be measured by receipts. The size standards for small businesses will range between 50 and 1,500 employees, depending upon the industry and the relevant SBA program. Small businesses that meet the standard can obtain small business status and become eligible for SBA's programs and services.

The SBA also proposes to establish an annual average receipts cap for some industries. There are 31 industries under the receipts cap. Some of these industries include construction, computer services, engineering, consulting and facilities support

services. Small businesses in these industries that meet the employee-based size standard will not be able to exceed a specific receipts cap if they wish to qualify as an eligible small business.

The proposed rule has been published in the *Federal Register* with public comments due by **July 2, 2004**. For public comments on the proposed rule change, e-mail your comments to [restructure.sizestandards@sba.gov](mailto:restructure.sizestandards@sba.gov).

For additional information on the new rule change, visit the SBA's Office of Size Standards Webpage at [www.sba.gov/size](http://www.sba.gov/size), and click on "What's New?"

## NJ Small Business Development Center 13<sup>th</sup> Government Procurement Expo

### Opportunities for Growing Your Business

**June 25, 2004  
8:30 a.m. 1:30 p.m.**

**Raritan Valley Community College  
Conference Center  
North Branch, New Jersey**

**If you want to do business with the  
government, then this is a conference  
you won't want to miss.**

**For Information Call:  
(973) 353-5960**

## Upcoming Events

**Building and Financing Your Business with the SBA**  
**June 10, 2004 – 10:30 a.m. – 1:00 p.m.**  
**Piscataway Library – Westergard Branch**  
**Piscataway, NJ - Cost: No Fee**  
**For information, call 609-989-5232**

**Building and Financing Your Business with the SBA**  
**June 10, 2004 – 9:00 a.m. – 11:30 a.m.**  
**Sussex County Community College – Bldg. E – Rms.128/130**  
**Newton, NJ - Cost: No Fee**  
**For information, call 908-689-9620**

**3<sup>rd</sup> Annual Hudson County Small Business Conference**  
**June 16, 2004 – 8:30 a.m. - 3:00 p.m.**  
**New Jersey City University – Cost: \$25**  
**Gilligan Student Union Bldg.-Jersey City, NJ**  
**For information, call 201-200-2156**

**Building and Financing Your Business with the SBA**  
**July 14, 2004 - 9:30 a.m. – 12 Noon**  
**Secaucus Public Library**  
**1379 Paterson Plank Road – Secaucus, NJ - Cost: No Fee**  
**For information, call 201-200-2156**

# Candle Makers Burn for Success; NJSBDC Business Counseling Program Helps Company Grow

**S**ome people yearn for success, but Carol and Bud Devlin actually burn for success. If you hand-poured 15,000 candles a year, you'd burn for success too.

You see, as owners of the JerseyLite Candle Company, Carol and Bud are very passionate about candle making. "In the morning, when we get up, all we talk about is JerseyLite," said Carol. "And when we go to bed, we talk about JerseyLite."

It all started 15 years ago, when Carol began making candles as a hobby. In 1998, Carol was diagnosed with an illness. During her recovery, she began making candles as a way of taking her mind off her illness. As she began to feel better, she thought about her life and the changes she wanted to make.

The first change occurred when she left her position as a dealer/supervisor at one of the casinos in Atlantic City. "I told my husband that I wanted to live a more peaceful life."

The second change was to start a business. "I said to Bud, 'People seem to like my candles let's start a company'," said Carol.

So in 1999, the JerseyLite Candle Company was born in the garage of the Devlin's Mays Landing home. "Within a week I had a 100 pound melter in here and a shrink wrapping machine and I was on my way," said Carol.

While Bud and Carol were living their dream, they felt the business was lacking direction. In early 2002, they met with Joe Molineaux, the regional director of the Small



**Burning for Success---**Carol and Bud Devlin owners of the JerseyLite Candle Company in Egg Harbor Township received a little help from the NJ Small Business Development Center at Richard Stockton College of New Jersey. Director Joseph Molineaux advised the couple on what direction they should take their company. In December of last year, Carol and Bud received the 2003 NJSBDC Success Award.

Business Development Center at Richard Stockton College of New Jersey. The center provides business owners and start-up companies from Atlantic, Cape May and Cumberland Counties with advice and counsel on how to run a successful business. The center is one of 11 in the State of New Jersey funded by the U.S. Small Business Administration.

"Basically, Joe Molineaux helped us to focus," said Carol. "We were all over the map and Joe asked us 'What do you want to do?' At that point, we wanted to focus on being philanthropic."

"From there, Joe worked with us and helped us develop our business plan," said Carol. "We began to realize that we could be philanthropic and still build this business by effectively reaching our target market."

Those target markets include Internet sales, craft shows, corporate vending and some retail stores. "The majority of our sales come from corporate vending," said Bud. "So we decided to invest our time and resources in that part of the business."

To cut down on loading and unloading of candles at corporate vending events, Carol and Bud developed a mobile display that they call their **Roll-In, Roll-Out Program**. "We can roll in with \$10,000 worth of

candles and can be in and out very quickly," said Carol. "Most people don't expect an elaborate display."

Through their **Roll-In, Roll-Out Program** at corporate vending sites, a portion of the proceeds are donated to a charitable cause selected by the company JerseyLite is visiting that day. Likewise, sales from the company's **Shop & Support Program** go towards charity as well. Anyone who shops online at [www.jerseylitecandle.com](http://www.jerseylitecandle.com), may select a charity, in which a portion of the sale is donated to that particular cause. Since 2001, the JerseyLite Candle Company has contributed over \$26,000 to a variety of charities.

"Sometimes a small company needs a push in the right direction," said Molineaux. "When I met Carol and Bud, I knew they had the drive and determination to see this through."

"SBDCs offer valuable assistance to individuals and small businesses by providing a wide variety of information and guidance in central and easily accessible branch locations," said James A. Kocsi, SBA's New Jersey district director. "For 26 years SBA's partnership with the New Jersey Small Business Development Centers has allowed us to help New Jersey businesses bring their ideas to achievement. The definitive result is seeing a small business like the JerseyLite Candle Company contributing to our economy."

Things are looking up for the company. Recently, the

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# UCEDC Receives \$750,000 for SBA MicroLoan Program

UCEDC received a loan of \$750,000 from the U.S. Small Business Administration, recently, as part of the agency's commitment to provide small businesses in six New Jersey counties with SBA MicroLoans.

UCEDC, a nonprofit community-based lender, has been an SBA microloan intermediary since 1994, providing entrepreneurs with microloans of \$35,000 or less.

"This is the eighth loan that the SBA has approved to UCEDC over ten years," said SBA New Jersey District Director James A. Kocsi. "The SBA is pleased to provide the necessary funding that will continue this valuable program and provide small businesses in six counties small loans to expand or start a small business."

Since 1994, UCEDC has approved 170 MicroLoans for over \$3 million to businesses in **Union, Somerset, Monmouth, Morris, Ocean, and Passaic Counties**," said Kocsi. "This program gives hope and creates



**Show Me the Money—**SBA NJ District Director James A. Kocsi, presents Maureen Tinen, president of UCEDC (2<sup>nd</sup> from right) with a ceremonial check for \$750,000. The money will allow UCEDC to make SBA loans available in a six county area. Joining in on the presentation are Ellen McHenry, UCEDC loan officer (far left) and Sheila McEachern (2<sup>nd</sup> from left), director of Betty's Kiddie Daycare Center in Elizabeth, which received a \$25,000 MicroLoan from UCEDC in January of 2004.

opportunity to those who require smaller loans that are not always available through conventional commercial loans."

"We are pleased to have the continued support

of the SBA," said Maureen Tinen, UCEDC president. "This funding only strengthens our efforts to promote small business development in the six county area that we cover. The MicroLoan program remains a cornerstone to community building."

Kocsi presented Tinen with a ceremonial check at Betty's Kiddie Daycare Center Elizabeth; a day care business started by Shelia McEachern in October of 2003. In January 2004, UCEDC approved an SBA MicroLoan for \$25,000 to help her purchase additional equipment for her day care center.

"Shelia McEachern, owner of Betty's Kiddie Daycare Center is a great example of what a MicroLoan can do for a small business," said Kocsi. "With a \$25,000 MicroLoan from UCEDC, Shelia McEachern was able to purchase additional equipment for her day care center. This type of loan has an immediate impact on small business and the local communities where they are located."

In 2003, UCEDC approved 22 MicroLoans for \$461,500 to small businesses. "We expect UCEDC to continue to provide this type of financing to even more companies," said Kocsi.

## Burning for Success

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company received the New Jersey Small Business Development Center 2003 Success Award for their success and growth. "Last year we grew 100 percent," said Carol. "We were thrilled to be recognized by the New Jersey Small Business Development Center."

"We work hard, and haven't had a vacation in six years," said Bud. "We live and breathe this business. It's a big sacrifice." In 2003, Bud left a successful power washing business that he started 12 years ago

to join Carol full time and helps out with sales and scheduling. Bud's mom, Jacki Lindsey, also pitches in helping with the company's paperwork and bookkeeping on a voluntary basis.

"Eventually we would like to grow to a seven to 15 employee company," said Carol. "We have a great product and people are starting to learn about us. Customer service is paramount around here and we let our customers know that they are important to us."

In the meantime, Carol and Bud continue to burn for success.



# SMALL BUSINESS WEEK PHOTO GALLERY



Amanda J. Puppo, CEO  
MarketReach, Inc.  
SBA NJ 2004  
Young Entrepreneur of the Year



Alyce M. Hackett, CFP  
Lifestyle Resources, Inc.  
SBA NJ 2004  
Women In Business Advocate of the Year



Mercedes Robaina  
UCEDC  
SBA NJ 2004  
Minority Small Business Advocate of the Year



Paul N. Lachhu, President & CEO  
Caribbean American & Hispanic Business Journal  
SBA NJ 2004  
Journalist of the Year



Rena Jordan, VP  
Commerce Bank  
SBA NJ 2004  
Financial Services Advocate of the Year



Kurtis E. Hanscom  
Department of Veterans Affairs  
SBA NJ 2004  
Veteran's Advocate of the Year Award